



***United States Attorney
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FOR IMMEDIATE RELEASE

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**FORMER FOSTER CARE COMPUTER CONSULTANT SENTENCED
TO 33 MONTHS IN JAIL FOR SCHEME TO DEFRAUD NYC
ADMINISTRATION FOR CHILDREN'S SERVICES**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that PHILBERT GORRICK, a former computer consultant for a foster care provider, was sentenced today to 33 months in prison for his role in defrauding the New York City Administration for Children's Services ("ACS") of \$375,000 in ACS funds that were intended to assist needy children. GORRICK pleaded guilty to conspiracy to defraud ACS on February 11, 2009, before United States Magistrate Judge JAMES C. FRANCIS. Today's sentence was imposed by United States District Judge BARBARA S. JONES.

According to the Indictment and Complaint previously filed in this case, as well as statements made during GORRICK's guilty plea and sentencing proceedings:

ACS is the New York City agency responsible for providing services to needy children and their families. Among other things, ACS administers payments to not-for-profit agencies that find and provide child care subsidies to foster parents. ACS administers approximately \$42 million in monthly payments to not-for-profit foster care agencies.

Concord Family Services, Inc. was a not-for-profit foster care agency that, from 1990 through 2008, ACS paid to provide foster care services to needy children in New York City. During the period 2005 to 2008 alone Concord had three contracts under which ACS paid Concord \$28 million for these services.

GORRICK provided computer services to Concord from 2004 until the time of his arrest in July 2008 through his company, Contemporary Technologies Co., which maintained office space at Concord.

In 2005, GORRICK and a co-conspirator, a former Fiscal Director at Concord, agreed that GORRICK would accept a \$375,000 payment from ACS for services that were never provided. LETHEN DUNCAN (from 1998 until his arrest in July 2008 Deputy Director of ACS's Payment Services Department) arranged for ACS to make the payment, and GORRICK, DUNCAN, and the Fiscal Director of Concord shared the stolen money. GORRICK used the proceeds to pay for, among other things: a 2006 BMW 750 LI sedan; a 2006 Range Rover; and at least \$30,000 in rental payments for a New York City apartment in a doorman building with a private garage.

In April 2008, GORRICK, again in concert with the former Fiscal Director at Concord, submitted to ACS a fictitious invoice in the amount of \$711,420.25 for computer supplies that were never provided to ACS. GORRICK and the former Fiscal Director were arrested in July 2008 after they received from DUNCAN (who was then cooperating with the DOI) an ACS check in that amount.

In addition to his prison term, Judge JONES ordered GORRICK, 54, of Queens, New York, to pay restitution in the amount of \$375,000.

On July 31, 2008, DUNCAN pleaded guilty before United States District Judge JOHN G. KOELTL to related charges. In addition, NIGEL OSARENKHOE, another defendant in this case, pleaded guilty to related charges on January 20, 2009 before Judge JONES. Trial against another defendant, STAY THOMPSON, is scheduled to begin on August 3, 2009, before United States District Judge PETER K. LEISURE. Three other defendants -- OLETHA RHODES, BRENDA TOWE, and TAMMY MOORE -- have also been indicted on related charges in a case pending before United States District Judge WILLIAM H. PAULEY III.

The charges as to THOMPSON, RHODES, TOWE and MOORE remain merely accusations and they are presumed innocent unless and until proven guilty.

The prosecution is being handled by the Office's Public Corruption Unit. Assistant United States Attorneys DANIEL L. STEIN and WILLIAM J. HARRINGTON are in charge of the prosecution.

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